		STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING				FORM 3 AMENDED REPORT				
APPLI	CATION FOR	PERMIT TO DRIL	L				1. WELL NAME and NUMBER GCF 42-17H-11-15			
2. TYPE OF WORK DRILL NEW WELL	REENTER P&	A WELL (iii) DEEPE	EN WELL	-@			3. FIELD OR WILDCAT UNDESIGNATED			
4. TYPE OF WELL Gas We	ell Coalbe	ed Methane Well: NO					5. UNIT or COMMUN	ITTIZATION AGREI GATE CANYON	EMENT NAME	
6. NAME OF OPERATOR	GASCO PRODUCT	ION COMPANY					7. OPERATOR PHON	I E 303 483-0044		
8. ADDRESS OF OPERATOR 8 Inverness	Dr. East, Suite 10	00, Englewood, CO, 80	0112				9. OPERATOR E-MA jlongv	IL vell@gascoenergy.co	m	
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)) STATE (i e	EE	12. SURFACE OWNE	RSHIP DIAN (STATE (FEE (III)				
UTU-76810 FEDERAL INDIAN STATE FEE 13. NAME OF SURFACE OWNER (if box 12 = 'fee')							14. SURFACE OWNE			
15. ADDRESS OF SURFACE OWNER (if box	12 = 'fee')						16. SURFACE OWNE	R E-MAIL (if box 1	.2 = 'fee')	
17. INDIAN ALLOTTEE OR TRIBE NAME		18. INTEND TO COM		E PRODUCT	ION FR	юм	19. SLANT			
(if box 12 = 'INDIAN')				gling Applicat	ion) N	ю 📵	VERTICAL DIR	ECTIONAL 📗 HO	ORIZONTAL 📵	
20. LOCATION OF WELL	FOO	OTAGES	QT	R-QTR	SE	CTION	N TOWNSHIP RANGE MEI			
LOCATION AT SURFACE	1840 FN	NL 424 FEL		SENE		17	11.0 S	15.0 E	S	
Top of Uppermost Producing Zone	1394 FN	L 1771 FEL	9	SWNE		20	11.0 S	15.0 E	S	
At Total Depth	1394 FN	L 1771 FEL	9	SWNE		20	11.0 S 15.0 E S			
21. COUNTY DUCHESNE		22. DISTANCE TO N		T LEASE LIN 24	E (Feet	t)	23. NUMBER OF AC	RES IN DRILLING (1909	JNIT	
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1320			OOL	26. PROPOSED DEP MD:	TH 19462 TVD: 1477	0		
27. ELEVATION - GROUND LEVEL		28. BOND NUMBER	28. BOND NUMBER				29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL DESCRIPTION			
6801			UT-:	UT-1233				41-3530		
		A	ТТАСН	IMENTS						
VERIFY THE FOLLOWING	ARE ATTACHI	ED IN ACCORDAN	ICE WI	TH THE U	ГАН О	IL AND G	AS CONSERVATION	ON GENERAL RU	ILES	
WELL PLAT OR MAP PREPARED BY	LICENSED SUR	VEYOR OR ENGINEE	R	[сом	PLETE	DRILLING	PLAN			
AFFIDAVIT OF STATUS OF SURFACE	OWNER AGREE	EMENT (IF FEE SURF	ACE)	FORM	4 5. IF	OPERATOR	R IS OTHER THAN TH	IE LEASE OWNER		
DIRECTIONAL SURVEY PLAN (IF DI	RECTIONALLY (OR HORIZONTALLY		№ торо	GRAPI	HICAL MAF	•			
NAME Roger Knight		TITLE EHS Supervis	sor			PHONE 3	803 996-1803			
SIGNATURE		DATE 01/21/2010				EMAIL r	knight@gascoenergy.c	om		
API NUMBER ASSIGNED 43013502270000		APPROVAL		Balgill						
Permit Manager							rmit Manager			

API Well No: 43013502270000 Received: 1/21/2010

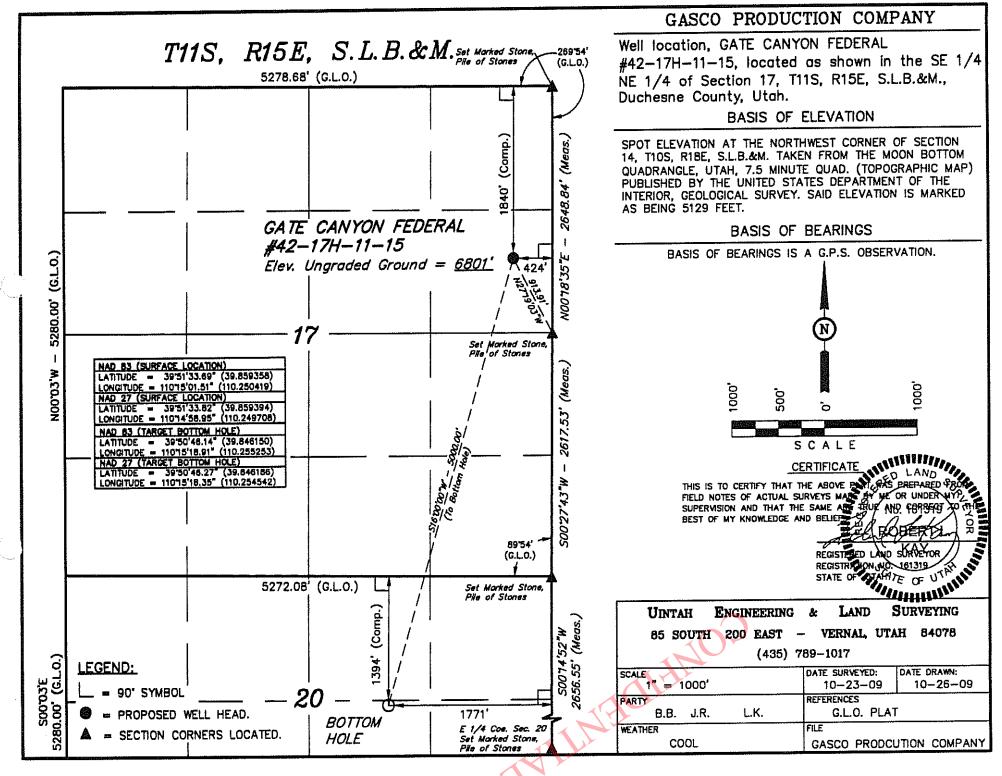
	Proposed Hole, Casing, and Cement									
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)						
Cond	17.5	13.375	0	19462						
Pipe	Grade	Length	Weight							
	Grade H-40 ST&C	40	48.0							

API Well No: 43013502270000 Received: 1/21/2010

	Proposed Hole, Casing, and Cement									
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)						
Surf	12.25	8.625	0	3500						
Pipe	Grade	Length	Weight							
	Grade J-55 LT&C	40	54.5							

API Well No: 43013502270000 Received: 1/21/2010

	Proposed Ho	le, Casing, and Ce	ement		
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)	
I1	8.5	7	0	14770	
Pipe	Grade	Length	Weight		
	Grade Q-125 Casing/Tubing	40	32.0		



Gasco Production Company Gate Canyon 42-17H-11-15 SE/NE, Section #17, Township11S, Range15E Duchesne, Utah Lease No. UTU-#76810

ONSHORE OIL & GAS ORDER NO. 1

Drilling Program

1. Estimated Tops of Important Geological Markers

Formation Green River	Depth Surface	Subsea	Coulideuliel - Light Hole
Wasatch	3,686'	3,140°	Coulden
Mesaverde	7,866	-1,040'	
Castlegate	10,456'	-3,630°	
Blackhawk	10,686'	-3,860°	
Spring Canyon	11,626'	-4,800'	
Mancos	11,943	-5,117'	
Dakota Silt	15,828	-9,002'	
TD	15,928'	-9,102'	

2. Estimated Depth of Anticipated Water, Oil, Gas or Mineral Formations

Substance	Formation	Depth
Gas	Wasatch	3,800' - 7,866'
Gas	Mesaverde	7,866' – 10,456' (TVD)
Gas	Blackhawk	10,686' – 11,943' (TVD)
Gas	Mancos	11,943' – TD (TVD)

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment

All well control equipment will be in accordance to Onshore Order No. 2 for 5M Systems and are as follows:

10,000# BOP with 4 ½" Pipe Rams 10,000# BOP with Blind Rams 5,000# Annular

Ram type preventers and associated equipment shall be tested to the approved stack working pressure if isolated by test plug or to 70 percent of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a

test plug, if a decline on pressure of more than 10 percent in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Pressure Control Equipment Continued

Annular type preventers (if used) shall be tested to 50 percent of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed;
- b. whenever any seal subject to test pressure is broken
- c. following related repairs; and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) the check valve shall be held open or the ball removed.

Annular preventers shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more that once a day.

A BPOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/or drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP 53 Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling cement plugs.

The District Office will be notified, with sufficient lead time, in order to have a BLM representative on location during testing.

- a. The size and rating of the BOP stack is shown on the attached diagram. Although a rig has not yet been chosen to drill this well, most of the equipment for this depth will utilize 5M working BOP.
- b. A choke line and kill line are to be properly installed. The kill line is not to be used as a

fill-up line.

- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program

a. The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones abnormally pressured zones and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors including: presence/absence of hydrocarbons, fracture gradients, usable water zones, formation pressures, lost circulation zones, other minerals, or other unusual characteristics. All indications of usable water shall be reported.

b. Casing	g Program				
	<u>Depth</u>	Hole Size	<u>O.D.</u>	<u>Grade</u>	<u>Type</u>
Conductor	350	17.5	13.375	H-40	ST&C
Surface	3,500	12.25	8.625	J-55	LT&C
Intermediate	14,770	8.5	7.0	Q125	LT&C
Production Li	ner 19,462	6.0	4.5	HCP-110	LT&C

c. Casing design subject to revision based on geologic conditions encountered.

	Est. Top of Cement	Cement Type	Quantity	<u>Yield</u>	Supply Wt.
Conductor	Surface	Type V	467	1.18	15.6
Surface	Surface	Hi-Lift	406	3.91	11
		10-2 RFC	185	1.63	14.2
Intermediate	2500'	Hi-lift	523	3.05	11.5
	2500'	50/50 poz	762	1.28	14.1
Production Lin	er See Attached	Diagram			

- e. Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- f. After cementing but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.
- g. The following reports shall be filed with the District Manager within 30 days after the work is completed.

- 1. Progress reports, form 3160-5 "Sundry Notices and Reports on Wells", must Include complete information concerning:
 - a. Setting of each string of casing, showing the size, grade, weight of casing set, hole size, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of cementing tools used, casing test method and results, and the date work was done. Show the spud date on the first reports submitted.
 - b. Temperature or bond log must be submitted for each well where the casing cement was not circulated to the surface.
- h. Auxiliary equipment to be used is as follows:
 - 1. Kelly cock
 - 2. A bit float
 - 3. A sub with full opening valve.

5. <u>Drilling Fluids Program:</u>

Interval 0-350'	<u>Type</u> Fresh Water	Wt. (ppg) 8.33	Viscosity 1	<u>рН</u> 7	<u>Water Loss</u> NA	<u>Remarks</u>
350'-3,500'	Fresh Water	8.33	1	7	NA	
3,500'- 14,770	O' Fresh Water	8.33 -12	30-40	8	12-20	
14,770'-19,46	2' Oil Based	12.0-12.5	30 - 40		8 12-20	

- a. Sufficient quantities of mud material will be maintained on site or be readily available for the purpose of assuring well control. SPR will be recorded on a daily drilling report after mudding up. Visual mud monitoring will be conducted during operations.
- b. No chromate additives will be used in the mud system on Federal lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- c. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well.
- d. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

6. <u>Evaluation Program</u>

The anticipated type and amount of testing, logging and coring are as follows:

a. No drill stern tests are anticipated, if DST's are run, the following requirements will be adhered to:

Initial opening of the drill stern test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer (AO). However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the AO. Closed chamber DST's may be accomplished day or night.

A DST that flows to the surface with evidence of hydrocarbons shall be either reversed out of the testing string under controlled surface conditions. This would involve provided means for reverse circulation.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that ate required to "run" during the test shall have spark arresters or water cooled exhausts.

- b. The logging program will consist of Schlumberger Platform Express (or equivalent) to be run from base of surface casing to TD.
- c. No cores are anticipated.
- d. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted no latter than 30 days after the completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well tested data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cutting, fluids, and/or gases will be submitted when requested by the AO.
- e. The anticipated completion program is as follows: Perform multistage fracs and complete all productive zones present in the wellbore. Produce all zones commingled.
- f. Daily drilling and completion progress reports shall be submitted to the BLM in Vernal on a weekly basis.

7. Abnormal Temperatures and Pressures

a. The expected bottom hole pressure is 8862 psi. The maximum bottom hole temperature anticipated is 265.86 degrees Fahrenheit.

b. No hydrogen sulfide gas is anticipated. Abnormal pressures will be controlled with mud weight and 10,000# BOP and rotating head.

8. Anticipated Starting Dates and Notifications of Operations

- a. Drilling is anticipated to commence immediately upon approval
- b. It is anticipated that the drilling of this well will take approximately 55 days.
- c. The BLM in Vernal, Utah shall be notified of the anticipated date of location construction and anticipated spud date.
- d. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior to approval from the AO will be obtained and notification given before resuming operations.
- e. The spud date will be reported orally to the AO within 48 hours of spudding. If the spudding occurs on a weekend or holiday, the report will be submitted via voice mail and/or e-mail to the AO.
- f. In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6 "Monthly Report Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with Vernal BLM Office, 170 South 500 East, Vernal, Utah, 84078.
- g. Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual or undesirable events shall be reported promptly to the AO in accordance with the requirements of NTL-3A or its revision.
- h. If a replacement rig is contemplated for completion operations, a "Sundry Notice" Form 3160-5 to that effect will be filed, or prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.
- i. Should the well be successfully completed for production, the AO will be notified when the well is placed on producing status. Written notification, e-mail or otherwise, will be sent no latter than 5 days following the date on which the well is placed on production.
- j. Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of 90 days. During the period so authorized, an application for approval of the permanent disposal method, along with the required water analysis and other information, must be submitted to the District Engineer.
- k. Pursuant to NTL-4A lessees or operators are authorized to vent/flare gas during initial well evaluation test, not exceeding a period of 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 day authorized test period.
- l. A schematic facilities diagram as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the BLM, Vernal Field Office within 60 days of installation or first production whichever

occurs first. All site security regulations as specified in Onshore Order No.3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4.).

m. A first production conference will be scheduled within 15 days after receipt of the first production notice.

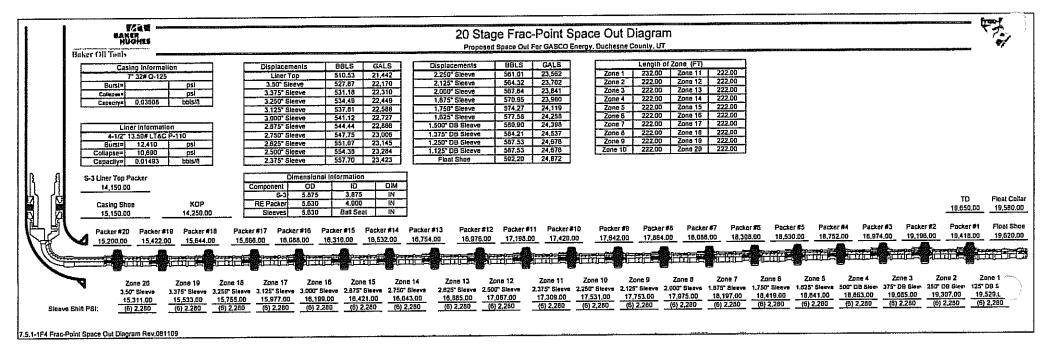
- n. No well abandonment operations will commence without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5 will be filed within 30 days following the completion of the well for abandonment. The report will indicate where plugs were placed and the current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work has been completed to the satisfaction of the AO.
- o. Pursuant to Onshore Oil and Gas Order No.1, lessees and operators have the responsibility of operating in a manner which conforms with the applicable Federal laws and regulations and with the State and local laws and regulations to the extent that such laws are applicable to operations on Federal lands.

Bureau of Land Management 170 South 500 East Vernal, Utah 84078

Phone: (435)781-4400 Fax: (435)781-4410

After Hours:

Michael Lee Petroleum Engineer (435)828-4470 Matt Baker Petroleum Engineer (435)828-7875



Bighorn Directional, Inc.

Gasco Production Gate Canyon Federal 42-17H-11-15 Duchesne County, Utah



Page: 1

Minimum of Curvature Slot Location: 7119945.75', 1991173.22'

Plane of Vertical Section: 194.95°

·······											
			True	RECTANG		LAMB					
Measured	BORE	HOLE	Vertical	COORDINA		COORDI		Vertical	CLOSU		Dogleg
Depth	Inc	Direction	Depth	North(-South) Ea	st(-West)	Υ	Х	Section	Distance D		Severity
Feet	Degrees	Degrees	Feet	Feet Fe	et	Feet	Feet	Feet	Feet 1	Deg	Deg/100'
14053.91	0.00	194.95	14053.91	0.00	0.00	7119945.8	1991173.2	0.00	0.00	0.00	0.00
KOP-Start Bui	ild										
14083.91	2.40	194.95	14083.90	-0.61	-0.16	7119945.1	1991173.1	0.63	0.63	194.95	8.00
14113.91	4.80	194.95	14113.84	-2.43	-0.65	7119943.3	1991172.6	2,51	2.51	194.95	8.00
14143.91	7.20	194.95	14143.68	-5.46	-1.46	7119940.3	1991171.8	5.65	5.65	194.95	8.00
14173.91	9.60	194.95	14173.35	-9.69	-2.59	7119936.1	1991170.6	10.03	10.03	194.95	8.00
14203.91	12.00	194.95	14202.82	-15.12	-4.04	7119930.6	1991169.2	15.65	15.65	194.95	8.00
14233.91	14.40	194.95	14232.02	-21.74	-5.80	7119924.0	1991167.4	22.50	22.50	194.95	8.00
14263.91	16.80	194.95	14260.92	-29.53	- 7.89	7119916.2	1991165.3	30.57	30.57	194.95	8.00
14293.91	19.20	194.95	14289.45	-38.49	-10.28	7119907.3	1991162.9	39.84	39.84	194.95	8.00
14323.91	21.60	194.95	14317.56	-48.59	-12.97	7119897.2	1991160.2	50.29	50.29	194.95	8.00
14353.91	24.00	194.95	14345.22	-59.82	-15.97	7119885.9	1991157.2	61.92	61.92	194.95	8.00
14383.91	26.40	194.95	14372.36	-72.16	-19.27	7119873.6	1991154.0	74.69	74.69	194.95	8.00
14413.91	28.80	194.95	14398.94	-85.59	-22.85	7119860.2	1991150.4	88.59	88.59	194.95	8.00
14443.91	31.20	194.95	14424.92	-100.08	-26.72	7119845.7	1991146.5	103.59	103.59	194.95	8.00
14473.91	33.60	194.95	14450.25	-115.61	-30.87	7119830.1	1991142.4	119.66	119.66	194.95	8.00
14503.91	36.00	194.95	14474.88	-132.15	-35.29	7119813.6	1991137.9	136.78	136.78	194.95	8.00
14533.91	38.40	194.95	14498.78	-149.67	-39.97	7119796.1	1991133.3	154.92	154.92	194.95	8.00
14563.91	40.80	194.95	14521.89	-168.15	-44.90	7119777.6	1991128.3	174.04	174.04	194.95	8.00
14593.91	43.20	194.95	14544.18	-187.54	-50.08	7119758.2	1991123.1	194.11	194.11	194.95	8.00
14623.91	45.60	194.95	14565.62	-207.82	-55.49	7119737.9	1991117.7	215.10	215.10	194.95	8.00
14653.91	48.00	194.95	14586.15	-228.95	-61.13	7119716.8	1991112.1	236.97	236.97	194.95	8.00
14683.91	50.40	194.95	14605.75	-250.89	-66.99	7119694.9	1991106.2	259.68	259.68	194.95	8.00
14713.91	52.80	194.95	14624.38	-273.60	-73.05	7119672.2	1991100.2	283.19	283.19	194.95	8.00
14743.91	55.20	194.95	14642.02	-297.05	-79.32	7119648.7	1991093.9	307.45	307.45	194.95	8.00
14773.91	57.60	194.95	14658.62	-321.19	-85.76	7119624.6	1991087.5	332.44	332.44	194.95	8.00
14803.91	60.00	194.95	14674.16	-345.98	-92.38	7119599.8	1991080.8	358.10	358.10	194.95	8.00

Bighorn Directional, Inc.

Gasco Production Gate Canyon Federal 42-17H-11-15 Duchesne County, Utah



Page: 2

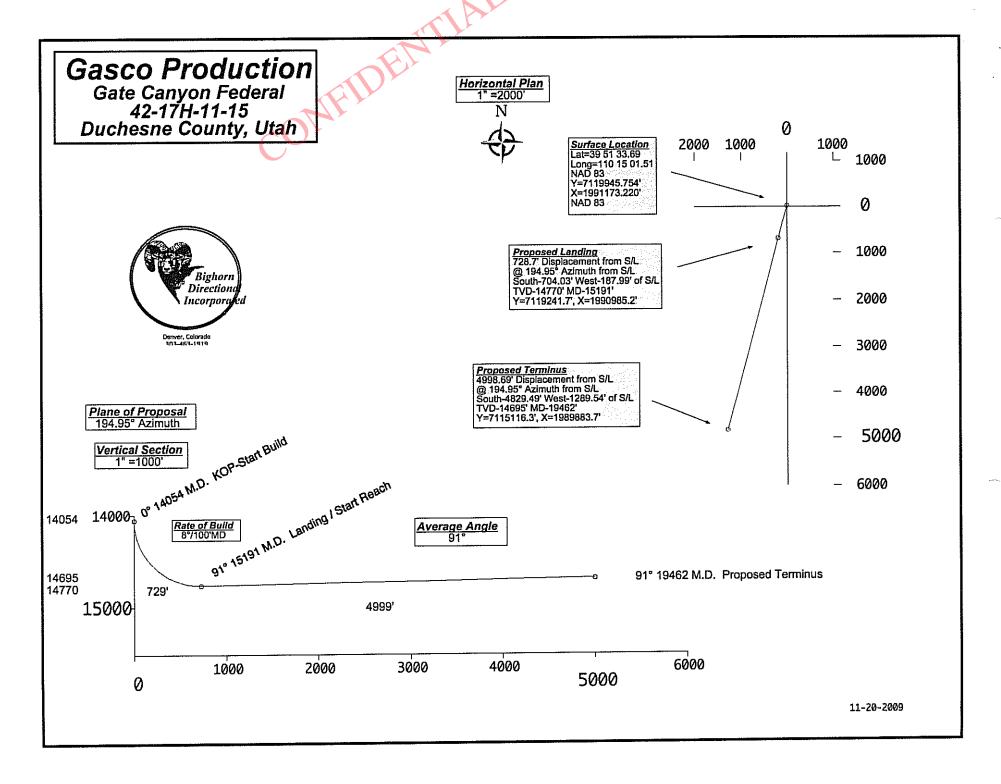
Minimum of Curvature Slot Location: 7119945.75', 1991173.22'

Plane of Vertical Section: 194.95°

			True	RECTANG	IJIAR	LAME	RERT	···			
Measured	BORE	HOLE	Vertical	COORDIN		COORD		Vertical	CLOSU	RES	Dogleg
Depth	Inc	Direction	Depth	North(-South) E		Y	X	Section	Distance Di		Severity
Feet	Degrees	Degrees	Feet	Feet F	, ,	Feet	Feet	Feet		Deg	Deg/100'
1 000	Dogrees	Degrees	1 001	7 666 1	CCI	1 661	1 651	1 661	, 661	Jeg	Deg/100
14833.91	62.40	194.95	14688.61	-371.37	-99.16	7119574.4	1991074.1	384.39	384.39	194.95	8.00
14863.91	64.80	194.95	14701.95	-397.33	-106.09	7119548.4	1991067.1	411.26	411.26	194.95	8.00
14893.91	67.20	194.95	14714.15	-423.81	-113.16	7119521.9	1991060.1	438.66	438.66	194.95	8.00
14923.91	69.60	194.95	14725.19	-450.76	-120.36	7119495.0	1991052.9	466.55	466.55	194.95	8.00
14953.91	72.00	194.95	14735.06	-478.13	-127.67	7119467.6	1991045.6	494.88	494.88	194.95	8.00
14983.91	74.40	194.95	14743.73	-505.87	-135.08	7119439.9	1991038.1	523.60	523.60	194.95	8.00
15013.91	76.80	194.95	14751.19	-533.95	-142.57	7119411.8	1991030.6	552.65	552.65	194.95	8.00
15043.91	79.20	194.95	14757.42	-562.30	-150.14	7119383.5	1991023.1	582.00	582.00	194.95	8.00
15073.91	81.60	194.95	14762.43	-590.87	-157.77	7119354.9	1991015.4	611.57	611.57	194.95	8.00
15103.91	84.00	194.95	14766.19	-619.63	-165.45	7119326.1	1991007.8	641.33	641.33	194.95	8.00
15133.91	86.40	194.95	14768.70	-648.51	-173.16	7119297.2	1991000.1	671.23	671.23	194.95	8.00
15163.91	88.80	194.95	14769.95	-677.46	-180.89	7119268.3	1990992.3	701.20	701.20	194.95	8.00
15191.41	91.00	194.95	14770.00	-704.03	-187.99	7119241.7	1990985.2	728.70	728.70	194.95	8.00
Landing / Star	rt Reach										
15691.41	91.00	194.95	14761.27	-1187.03	- 316.95	7118758.7	1990856.3	1228.62	1228.62	194.95	0.00
16191.41	91.00	194.95	14752.55	-1670.04	-445.92	7118275.7	1990727.3	1728.54	1728.54	194.95	0.00
16691.41	91.00	194.95	14743.82	-2153.04	-574.89	7117792.7	1990598.3	2228.47	2228.47	194.95	0.00
17191.41	91.00	194.95	14735.10	-2636.04	-703.86	7117309.7	1990469.4	2728.39	2728.39	194.95	0.00
17691.41	91.00	194.95	14726.37	-3119.04	-832.83	7116826.7	1990340.4	3228.32	3228.32	194.95	0.00
18191.41	91.00	194.95	14717.64	-3602.04	-961.80	7116343.7	1990211.4	3728.24	3728.24	194.95	0.00
18691.41	91.00	194.95	14708.92	-4085.05	-1090.76	7115860.7	1990082.5	4228.16	4228.16	194.95	0.00
19191.41	91.00	194.95	14700.19	-4568.05	-1219.73	7115377.7	1989953.5	4728.09	4728.09	194.95	0.00
19462.05	91.00	194.95	14695.47	-4829.49	-1289.54	7115116.3	1989883.7	4998.69	4998.69	194.95	0.00
Danage of Ton		· - · · - -									

Proposed Terminus

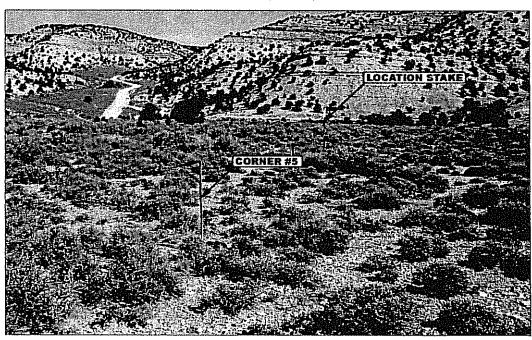
Final Station Closure Distance: 4998.69' Direction: 194.95°



GASCO PRODUCTION COMPANY

GATE CANYON FEDERAL #42-17H-11-15

LOCATED IN DUCHESNE COUNTY, UTAH SECTION 17, T11S, R15E, S.L.B.&M.



CAMERA ANGLE: NORTHEASTERLY

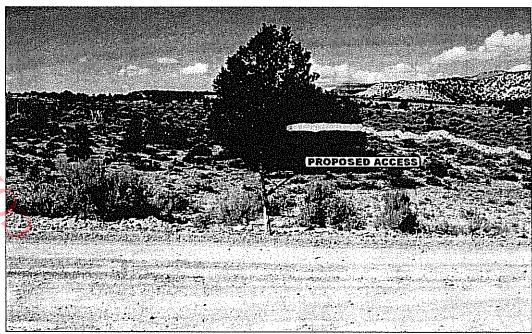


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 (435) 789-1017 * FAX (435) 789-1813

LOCATION PHOTOS

PHOTO

TAKEN BY: B.B. DRAWN BY: J.H. REVISED: 00-00-00

GASCO PRODUCTION COMPANY

'APIWellNo:43013502270000'

GASCO PRODUCTION COMPANY

GASCO PRODUCTION COMPANY
TYPICAL RIG LAYOUT FOR

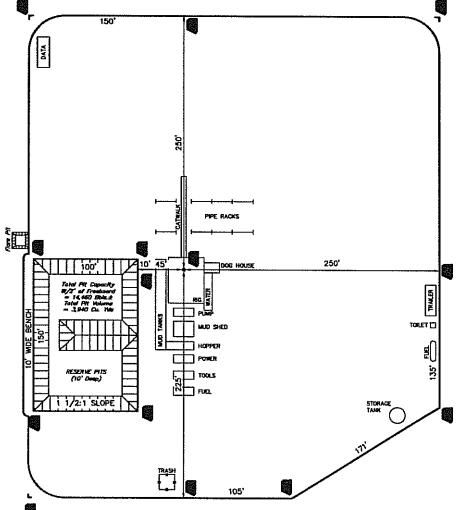
GATE CANYON FEDERAL #42-17H-11-15 SECTION 17, T11S, R15E, S.L.B.&M. 1840' FNL 424' FEL FIGURE #3

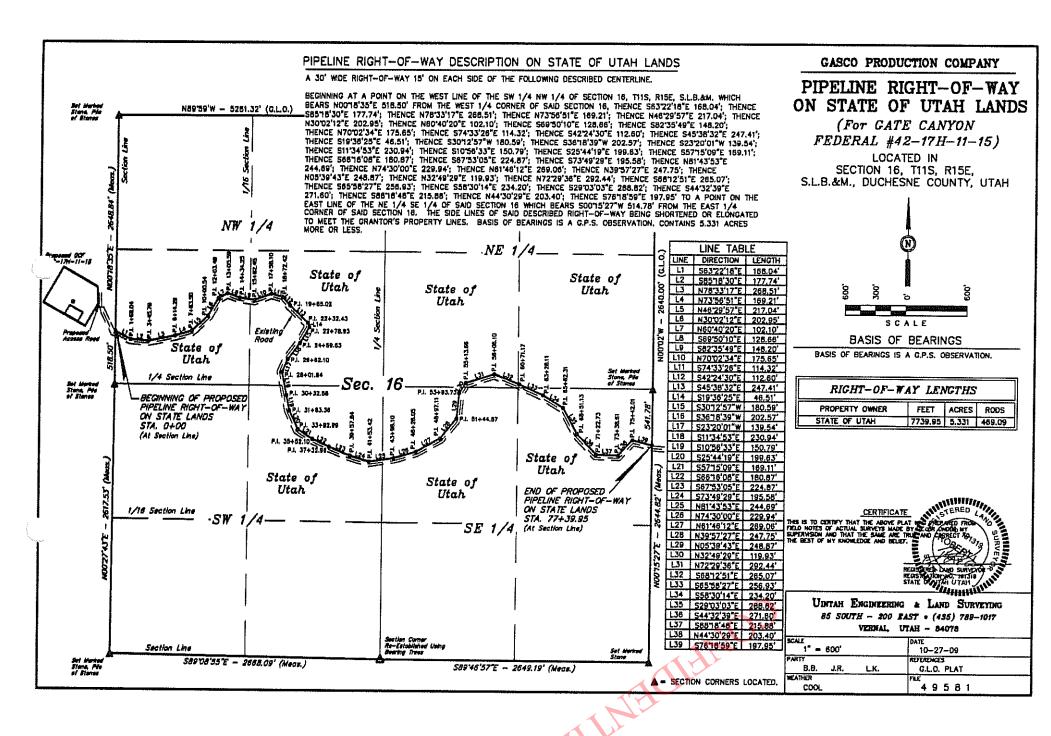


SCALE: 1" = 60" DATE: 10-26-09 DRAWN BY: LK.



NOTE: Flore Pit is to be located a min. of 100' from the Well Head.





Gasco Production Company Gate Canyon 42-17H-11-15 SE/NE, Section #17, Township11S, Range15E Duchesne, Utah Lease No. UTU-#76810

ONSHORE OIL & GAS ORDER NO. 1

Notification Requirements

Location Construction-

48 hours prior to construction of location and access roads

Location completion-

prior to moving on with drilling rig.

Spud Notice-

at least 24 hours prior to spudding the well.

Casing String and

Cementing-

24 hours notice prior to running casing and cementing.

BOP and Related

Equipment-

24 hours prior to initiating pressure tests.

First Production

Notice-

Within 5 business days after new well begins or production resumes after well has been off production for more than 90 days.

The onsite inspection for the subject well site will be conducted. Weather conditions, open ground and COA's will be noted and implemented prior to any site disturbance. Attendance at the onsite will be the following individuals:

Natural Resource Specialist

Bureau of Land Management

Wildlife Biologist

Bureau of Land Management
Permit Consultant Gasco

Gasco Production Company

Shon McKinnon Surveyor

Uintah Engineer and Land Surveying

1. Existing Roads

See Attached Topographic Map "A".

Description of travel from Topos.

2. Planned Access Road

See Attached Topographic Map "B" for location of the proposed access road.

3. Location of Existing Wells

See Attached Topographic Map "C"

- a. Producing Wells -
- b. Abandoned Wells -

4. Location of Tank Batteries and Production Facilities

- a. All permanent surface equipment will be painted to BLM and UDOGM specifications.
- b. Storage tanks batteries will be surrounded by containment dike of sufficient capacity to contain at a minimum, the entire contents of the largest tank with in the contained area, unless more stringent requirements are necessary as notified by the AO.
- c. A production layout will be submitted via sundry upon proven productivity of the well.
- d. All loading lines will be placed inside the berm/dike surrounding the tank battery.
- e. A Gas Meter Run will be placed within 500 ft. of the wellhead. Meter runs will be housed. The oil and gas measurement equipment will be installed on the well location. Measurement equipment will be calibrated in place prior to any deliveries. Tests for accuracy will be conducted monthly for the first three months on new installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the calibration reports will be submitted to the Vernal Field Office.
- f. Any necessary pits will be properly fenced to prevent any wildlife entry.
- g. The access road will be maintained in a safe, usable condition conducive to the climate and seasonal conditions in order to accommodate daily operation of the well and prevent erosion.
- h. Pipelines, up to 6" steel or poly, will follow the proposed access as detailed in attached Topo Map "D". The pipeline will be laid on the surface except road crossings where they will be buried to a depth of 3'-5'. The method of coupling will be welded. Associated pipeline components, such as risers, pig launchers/catchers, meters, valves, etc. will be contained within the 30' needed for construction of the pipeline.

5. Location and Type of Water

- a. Water will come from: Water Right No. 41-3530.
- b. Water will be hauled by commercial transport over the access roads shown on Attached Maps "A" and "B".
- c. No water well will be drilled on this lease.

6. Source of Construction Material

- a. Any gravel used will be obtained from a commercial source.
- b. The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2.3.
- c. No construction materials will be used from Federal lands.

7. Methods of Handling Waste Disposal

- a. the reserve pit will be lined with at least 16 mil liner. Unless otherwise specified by BLM or UDOGM
- b. All trash will be contained in an enclosed trash container through the drilling, completion, and facility construction phases and its contents removed and hauled to an approved disposal sight as needed.
- c. A chemical porta-toilet will be furnished through the drilling, and completion phases.
- d. After first production, produced waste water will be confined to an unlined pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the AO's approval.
- e. Drill cuttings are to be contained and buried in the reserve pit.
- f. Any salts and/or chemicals which are an integral part of the drilling system will be disposed of in the same manner as the drilling fluid.

8. Ancillary Facilities

There are no airstrips, camps or other facilities planned during the drilling of this well except for those facilities needed for drilling rig personal, service providers and company representatives.

9. Well Site Layout

See attached Location Layout Diagram

10. Plans for Restoration of Surface

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Upon completion, any hydrocarbon within the reserve pit will be removed in accordance with 43 CFR 3162.7-1.
- c. The reserve pit will be backfilled and reclaimed within 120 days from the well completion. The reserve pit liner will be perforated and excess liner removed before backfilling. Alternatively, the pit will be pumped dry, the liner folded into the pit and buried to a minimum of 4' deep.
- d. That portion of the location not needed for production facilities or operations, or any disturbed areas upon final plug and abandonment, will be re-contoured to approximate natural contours and seeded with a seed mixture and procedure specified by the AO. Additionally, the topsoil pile will be seeded with the same mixture and procedure as specified.

11. Surface Ownership

The proposed access road and well pad is on lands managed by the Bureau of Land Management.

12. Other Information

- a. An archeological survey will be conducted by an authorized Archeological Consultant prior to any disturbance based on BLM and UDOGM guidance.
- b. If historic or archeological materials are uncovered during construction, the operator will immediately stop work and contact the AO.
- c. The operator will control noxious weeds along associated well pad, roads, pipelines, and surface equipment. On BLM administered land it is required that a Pesticide Use Proposal shall be submitted and approved prior to the application of pesticides or herbicides.
- d. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal lands after the conclusion of drilling operations or at any other time without BLM authorization.
- e. All lease and unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notices to Lessees. The operator is fully responsible for the actions of his subcontractors.
- f. A complete copy of the APD shall be on location during construction and drilling of this site.

Water Disposal

Immediately upon first production all produced water will be confined to a steel storage tank. Water will be disposed of via truck transport to a State of Utah approved disposal site, such as Brennan Bottom.

<u>Wildlife Timing Stipulations</u> Any required actions or planning based on state or federal agencies will be implemented.

13. Lessee's or Operators Representative

Gasco Production Company

Roger Knight EHS Representative 8 Inverness Drive East, Suite 100

Englewood, CO 80112

(303)483-0044

Shon McKinnon (Permit Coordinator)

PO Box 189

Myton, Utah 84052

(435)823-8061

(435)636-3336

Certification

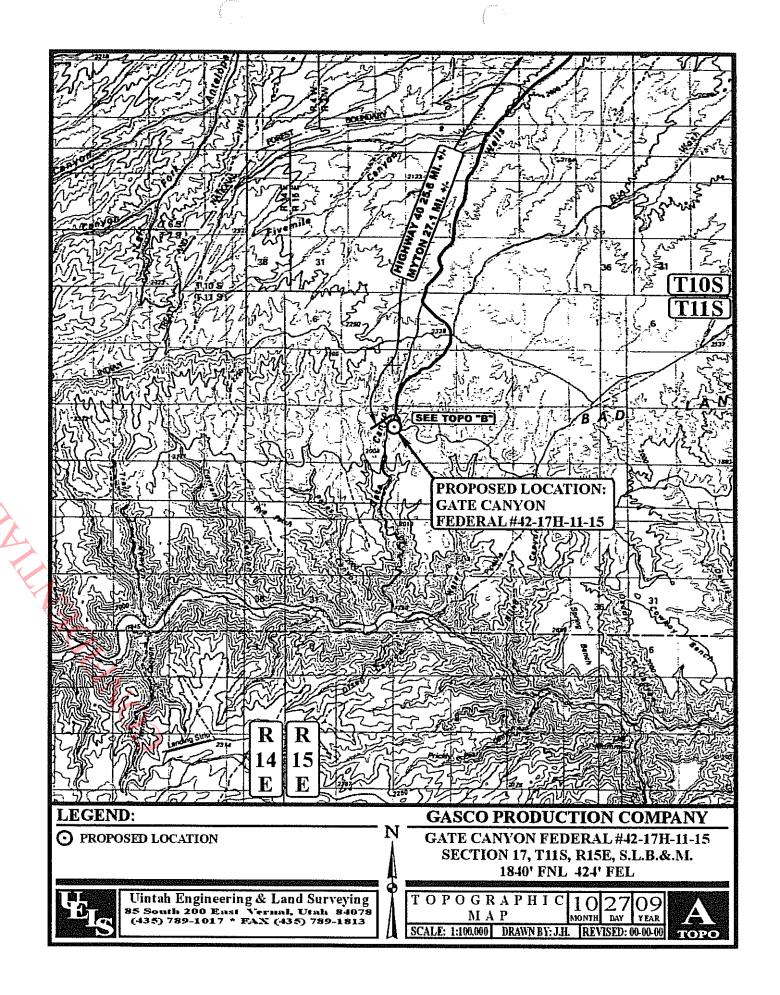
Please be advised that Gasco Production Company. is considered to be the operator of the Well Gate Canyon Federal 42-17H-11-15, SE/NE Section 17, T11S, R15E, Lease No. UTU-76810, Duchesne County, Utah: and is responsible under the term and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Bond #. UT-1233

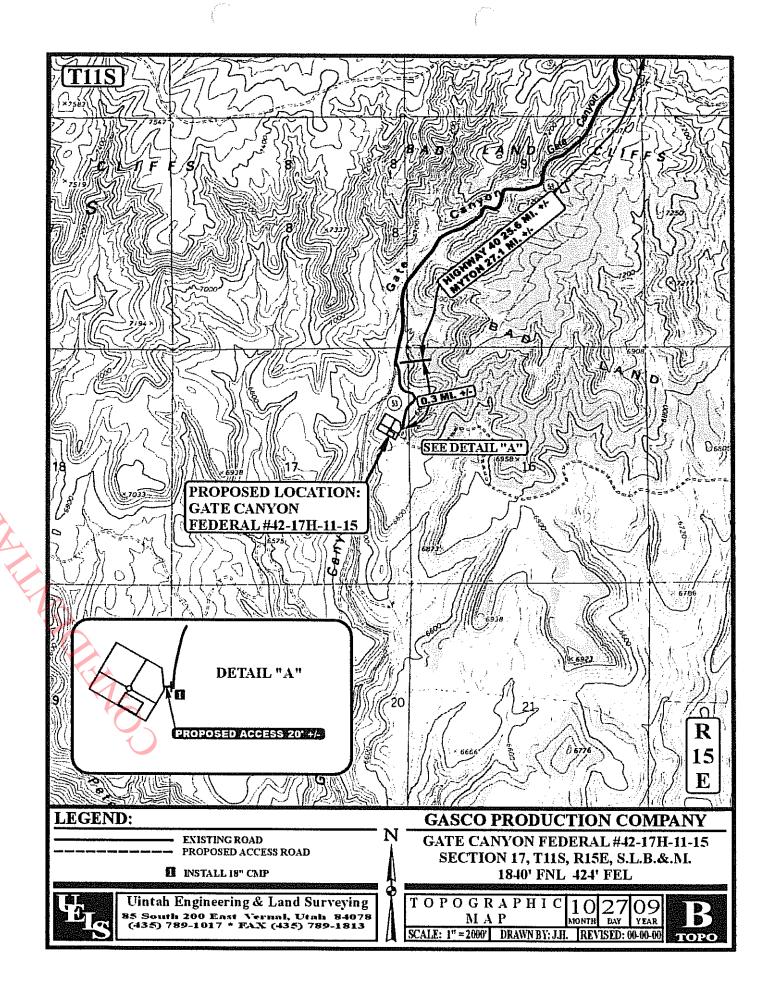
I herby certify that the proposed drill site and access road have been inspected and I am familiar with the conditions that currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Gasco Production Company its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. The statement is subject to the provisions of 18 U.S.C. 1000 for the filing of a false statement.

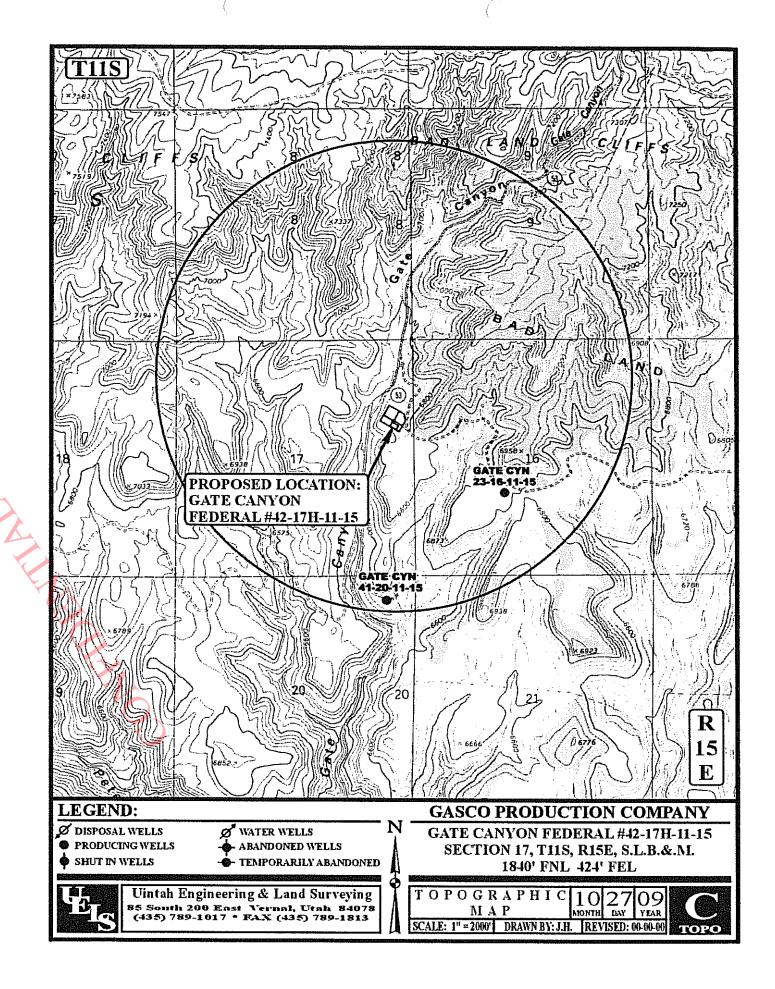
Date

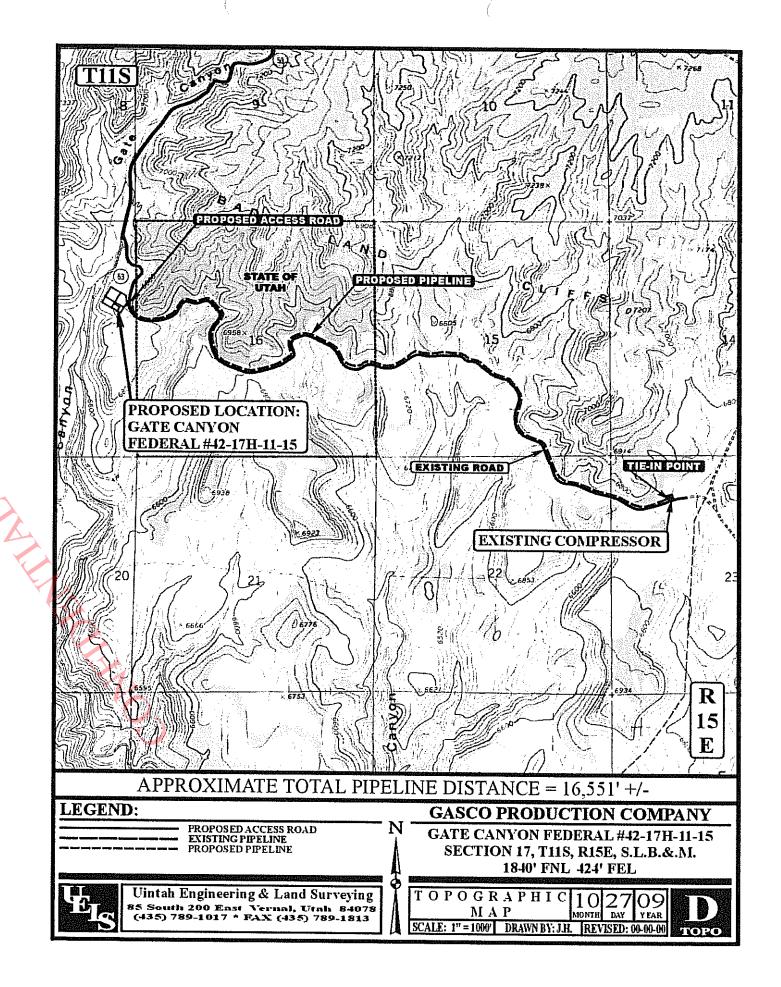
Roger Knight

Gasco Production Company









United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO: 3160 (UT-922)

February 3, 2010

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2010 Plan of Development Gate Canyon Unit,

Duchesne County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following horizontal wells are planned for calendar year 2010 within the Gate Canyon Unit, Duchesne County, Utah.

API# WELL NAME LOCATION

(Proposed PZ MANCOS)

43-013-50227 GCF 42-17H-11-15 Sec 17 T11S R15E 1840 FNL 0424 FEL Lateral 1 Sec 20 T11S R15E 1394 FNL 1771 FEL

43-013-50228 GCF 32-22H-11-15 Sec 22 T11S R15E 2306 FNL 2030 FEL Lateral 1 Sec 27 T11S R15E 1784 FNL 1878 FWL

43-013-50229 GCF 23-15H-11-15 Sec 15 T11S R15E 1751 FSL 2312 FWL Lateral 1 Sec 22 T11S R15E 2271 FSL 0957 FWL

43-013-50230 GCF 23-30H-11-16 Sec 30 T11S R16E 1758 FSL 1467 FWL Lateral 1 Sec 31 T11S R16E 2224 FSL 0092 FWL

This office has no objection to permitting the 42-17H-11-15 and the 32-22H-11-15 and at this time.

Our records indicate that the W¼SW¼ of Section 22 T11S 15E and the E½ of Section 15 T11S R15E are uncommitted to the Gate Canyon Unit Agreement, we therefore object to permitting the 23-15H-11-15.

Our records indicate that lease UTU65779 covering the S½ of section 31 T11S 16E is uncommitted to the Gate Canyon Unit Agreement, we therefore object to permitting the 23-30H-11-16.

bcc: File - Gate Canyon Unit
 Division of Oil Gas and Mining

Central Files Agr. Sec. Chron Fluid Chron

MCoulthard:mc:2-3-10

From:

Roger Knight IV <rknight@gascoenergy.com> "'Diana Mason" <dianawhitney@utah.gov>

To: Date:

3/4/2010 9:33 AM

Subject:

Exception letters for Gate Canyon Federal 42-17H-11-15

Attachments: XTO GCF 42-17H.pdf; 42-17H-11-15 gasco exception letter.pdf

Hi Diana. Attached are the exception letters for GCF 42-17H-11-15. Let me know if I need to mail a hard copy or if any additional information is needed for processing the APD.

Thank you Roger

Roger Knight **EHS Supervisor** Gasco Energy, Inc.

rknight@gascoenergy.com<mailto:rknight@gascoenergy.com>

direct: 303-996-1803 cell: 720-810-3850



February 26, 2010

State of Utah Division Oil, Gas and Mining PO Box 145801 Salt Lake City, UT 84114-5801

RE:

Exception Location Request

Gate Canyon Federal 42-17H-11-15

Township 11 South, Range 15 East, SLM

Section 17: SE¼NE¼ Duchesne County, Utah

To Whom It May Concern:

Pursuant to Rule 649-3-3 of UDOGM Rules and Regulations, Gasco Production Company ("Gasco") requests an exception to this location. The GCF 42-17H-11-15 is being directionally drilled due to topography and to minimize surface disturbance. The GCF 42-17H-11-15 is located in the Gate Canyon Federal Unit. Also attached is an exception letter from our lease partners as per Rule 649-3-11 of UDOGM Rules and Regulations. Gasco and its lease partner are the two working interest lease holders within the 460' for the entire directional well bore.

TIAL

Tel: (303) 483-0044

Fax (303) 483-0011

Email: rknight@gascoenergy.com

Sincerely,

Roger Knight EHS Supervisor



February 26, 2010

Mr. Shannon Nichols XTO Energy 810 Houston Street Fort Worth, TX 76102

Via Email: Shannon_nichols@xtoenergy.com and U.S. Mail

RE: Exception Location Request

Gate Canyon Federal 42-17H-11-15
Township 11 South, Range 15 East, SLM

Section 17: SE¼NE¼ Duchesne County, Utah

Dear Mr. Nichols:

Pursuant to Rule 649-3-2 of UDOGM Rules and Regulations, Gasco Production Company ("Gasco") hereby requests that you provide written consent to an exception location for the captioned well, as your ownership falls within a 460 foot radius of the proposed well location. Gasco owns all other working/leasehold rights on these 100% Federal owned minerals.

Gasco will drill and XTO has agreed to participate in this well.

Attached is a map indicating the surface and bottom hole locations.

Please indicate your acceptance by signing a copy of this letter and returning it to me. A scanned copy will be sufficient.

Your prompt response is greatly appreciated.

Tours very truly

David Smith

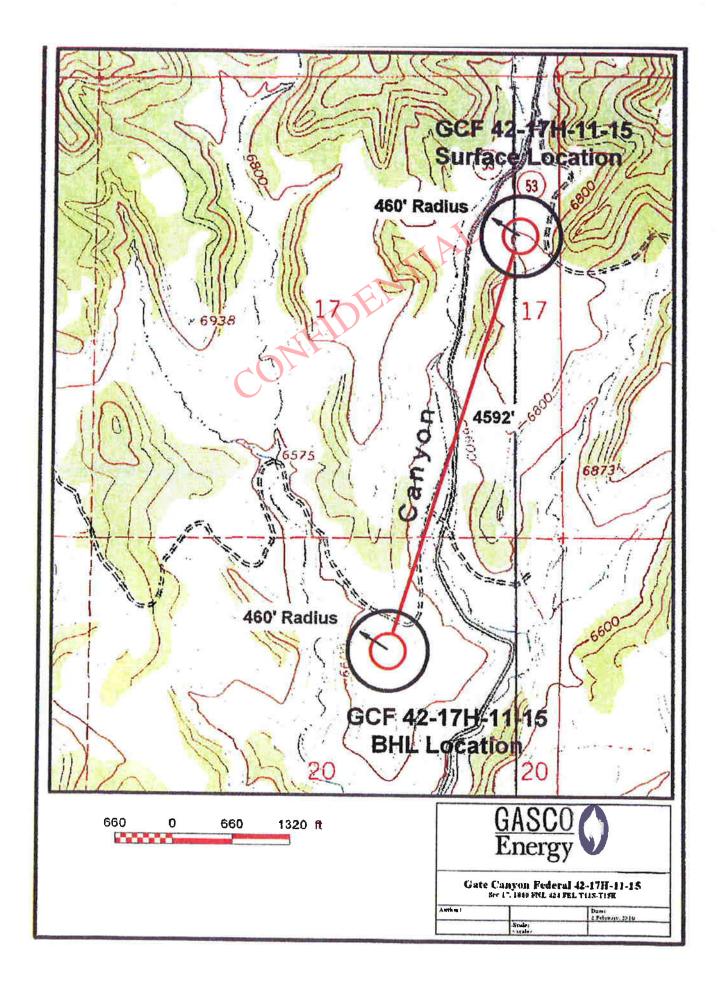
Manger, Land and Regulatory Affairs

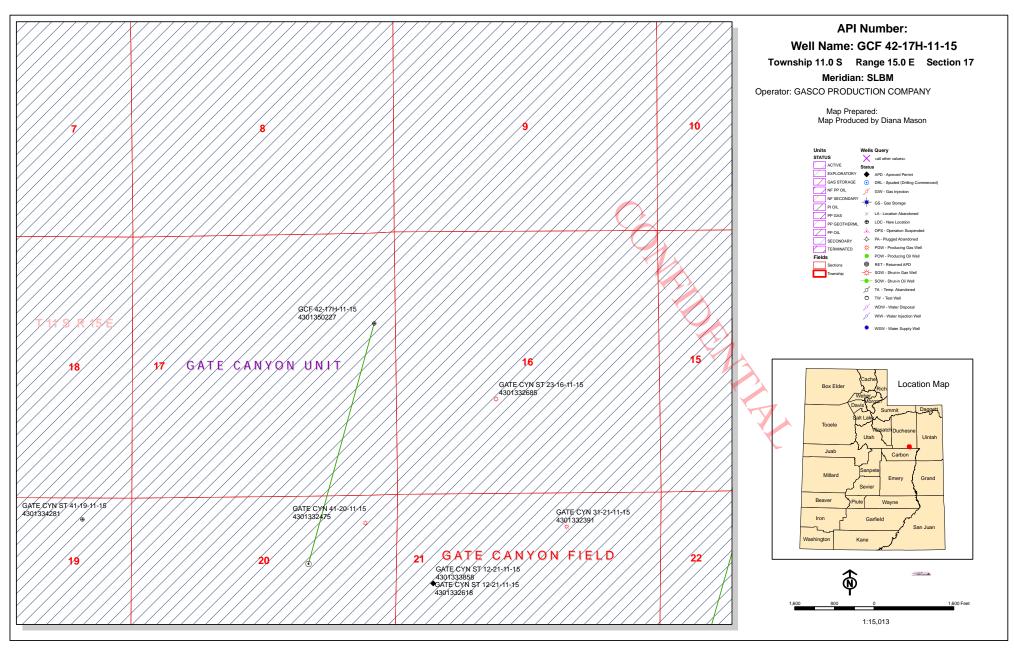
AGREED TO AND ACCEPTED THIS ____ DAY OF March, 2010

XTO Energy

GASCO Production Company 8 Inverness Drive East, Suite 100 Englewood, CO 80112-5625

Tel. (303) 483-0044 Fax (303) 483-0011 Email: dsmith@gascoenergy.com





WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED:	1/21/2010	API NO. ASSIGNED:	43013502270000
WELL NAME:	GCF 42-17H-11-15		
OPERATOR:	GASCO PRODUCTION COMPANY (I	N2575) PHONE NUMBER:	303 996-1803
CONTACT:	Roger Knight		
PROPOSED LOCATION:	SENE 17 110S 150E	Permit Tech Review:	
SURFACE:	1840 FNL 0424 FEL	Engineering Review:	
воттом:	1394 FNL 1771 FEL	Geology Review:	
COUNTY:	DUCHESNE		
LATITUDE:	39.85941	LONGITUDE:	-110.24964
UTM SURF EASTINGS:	564184.00	NORTHINGS:	4412213.00
FIELD NAME:	UNDESIGNATED		
LEASE TYPE:			
LEASE NUMBER:	UTU-76810 PROPOSED F	PRODUCING FORMATION(S): WASATCH-MI	ESA VERDE-MANCOS
SURFACE OWNER:	1 - Federal	COALBED METHANE:	NO
RECEIVED AND/OR REV	IEWED:	LOCATION AND SITING:	
✓ PLAT		R649-2-3.	
▶ Bond: FEDERAL - UT-	-1233	Unit: GATE CANYON	
Potash		R649-3-2. General	
Oil Shale 190-5			
Oil Shale 190-3		R649-3-3. Exception	
Oil Shale 190-13		✓ Drilling Unit	
✓ Water Permit: 41-35	530	Board Cause No: R649-3-3	
RDCC Review:		Effective Date:	
Fee Surface Agreem	nent	Siting:	
Intent to Comming	e	✓ R649-3-11. Directional Drill	
Commingling Approve	ed		
Comments: Presite	Completed		
Stipulations: 4 - Fed	deral Approval - dmason		

4 - Federal Approval - dmason 15 - Directional - bhill 23 - Spacing - dmason API Well No: 43013502270000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: GCF 42-17H-11-15 API Well Number: 43013502270000 Lease Number: UTU-76810

Surface Owner: FEDERAL **Approval Date:** 3/9/2010

Issued to:

GASCO PRODUCTION COMPANY, 8 Inverness Dr. East, Suite 100, Englewood, CO 80112

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the WASATCH-MESA VERDE-MANCOS Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Notification Requirements:

API Well No: 43013502270000

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at https://oilgas.ogm.utah.gov

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) due prior to implementation
- Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
- Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

Gil Hunt

Associate Director, Oil & Gas

Die Hunt

la. Type of work: DRILL REENTER			NA	Tribe Nunc
		i	7 If Unit or CA Agrocal	nt, Name and No.
			Gate Canyon	
lb. Type of Well: Oil Well Gas Well Other	Single Zone V Mahi	råe Zone	8. Lease Name and Well Gate Convon Fed	No. eral 42-17H-11-15
2. Name of Operator Gasco Production Company			9. API Walks 43 /1/2	51227
3a. Address 8 Inverness Drive East, #100 Englewood CO. 选	. Phone No. probabe area andri		10. Field and Pool, or Eapl	
80112	303-483-0044 X / O	3	Gate Canyon	-
4. Location of Well (Report location clearly and in occurshave with any S	hae rogikumenik*)		II. Sec., T. R. M. or Bit. a	ed Servey or Area
Atsurface 1840'FNL 424'FEL section 17			7771 N 77 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Al proposed prod. 200e 1394 FNL 1771 FEL Section 20 5W	NE		SENE Sec17 T118	RISE
14. Distance in miles and direction from nearest town or post office*	12. County or Parish	13. State		
27.1 miles to Myton UT			Duchesne	UT
location to nearest property or lease line, fi.	6. Na. of acres in lease		Unit dedicated to this well	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		NA		
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. GCF 41-20-11-15	9. Proposed Depth 15928'	20. BLM/B UT123	IA Bond No. on file 3	
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	2. Approximate date work will star	1*	23. Estimated duration	
6801' GR	03/15/2010		55 days	
:	24. Attachments			
The following, completed in accordance with the requirements of Onshore O	al and Gas Order No.1, shall be at	tached to this	form:	· · · · · · · · · · · · · · · · · · ·
Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System Lan SUPO shall be filed with the appropriate Forest Service Office).	ds, the 5. Operator certific	ation pecific infor	unless covered by an exist	•
25. Signature	Name (Printed/Typed)		Date	
- LINO DE FERNO	Roger Knight 5h	on Mg	Kinnon	12/23/2009
Title EH#Supervisor				-
Approved by (Signature)	1 N (D : . 107 - D			
DUNABU	James James	H.S	narger 1	JUN 0 2 2010
Title ACTING Assistant Field Manager	Office			3011 3 3 3
Lands & Mineral Resources	VEF	RNALI	FIELD OFFICE	
Application approval does not warrant or certify that the applicant holds leg onduct operations thereon.	palor equitable title to those rights	in the subje	ct lease which would entitle	the applicant to
Conditions of approval, if any, are attached.	ITIONS OF APPRO	VAL AT	TACHED	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime states any false, fictitious or fraudulent statements or representations as to an	for any person Imminaly and mi			ncy of the United

*(Instructions on page 2)

_ _ JAN 0 6 2010

NOS apaposted/1/2018LM VERNAL, UTAH

Couldential - Light Hole

2010 JRN 8 PM 3 05

NEBRAL FIELD OFFICE RECEIVED

RECEIVED

JUN 1 0 2010

DIV. OF OIL, GAS & MINING



AFMSS# 10 RRH 0078 A



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Gasco Production Company	Location:	SENE, Sec. 17, T11S, R15E
Well No:	Gate Canyon Federal 42-17H-11-15	Lease No:	UTU-76810
API No:	43-013-50227	Agreement:	Gate Canyon Unit

OFFICE NUMBER:

170 South 500 East

(435) 781-4400

OFFICE FAX NUMBER:

(435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)		Forty-Eight (48) hours prior to construction of location and access roads.				
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.				
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.				
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut vn opreport@blm.gov.				
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.				
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.				

SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 designrated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
 work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
 mitigation may be necessary for the discovered paleontologic material before construction can
 continue.
- Surface Conditions of Approval for monitoring are listed in the Surface Use Plan of the APDs or as part of the Gasco's Reclamation plan approved in March of 2010.
- Prior to any surface disturbance, vegetative monitoring locations and reference sites will be identified by Gasco and approved by the BLM Authorized Officer.

Reclamation seed mix

Forage kochia Kochia prostata 3 lbs. /acre
Needle and thread grass Stipa comata 3 lbs. /acre
Squirrel tail Elymus elymoides 3 lbs. /acre
Scarlet globemallow Sphaeralcea coccinea 1 lbs. /acre

Shadscale Atriplex confertifolia 2 lbs. /acre

Applicant Committed Measures: The applicant has agreed to the following measures to mitigate the affect of the proposal:

Weeds

Weeds will be inventoried prior to disturbance. This inventory will be turned into the Vernal BLM Field Office with the initial monitoring report for this well. A monitoring report for weeds will be turned in annually with the annual monitoring report.

Fence

Where the pipeline crosses a fence, the pipeline will be placed under the fence without cutting the fence. If for some reason the fence needs to be cut the operator has agreed to contact the BLM prior to cutting the fence. Cutting, bracing and restringing of the wire will be completed according to Vernal Field Office guidelines.

Soils

To prevent surface water from standing/ponding on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of mounding the surface 2-3 feet above the surrounding ground surface to allow the reclaimed pit area to drain effectively.

The operator will use a layer of felt under the standard liner for the reserve pit.

• Rights-of-Way

The applicant has agreed to coordinate with Duchesne County for the placement of the pipeline next to the Duchesne County road Right-of-Way.

• <u>Visual</u>

Facilities will be painted beetle.

DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from total vertical depth to surface.
- A cement bond log shall be run from total depth to surface on the Intermediate casing.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is
 encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal
 Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB

Page 5 of 7 Well: Gate Canyon Federal 42-17H-11-15

or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the <u>top of cement</u> and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written communication
 and must be received in this office by not later than the fifth business day following the date on
 which the well is placed on production. The notification shall provide, as a minimum, the following
 informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1.
 Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to
 the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first.
 All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All
 product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in
 accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a
 suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be
 obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior approval
 of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior
 approval of the BLM Vernal Field Office shall be obtained and notification given before resumption
 of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office
 Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in
 order that a representative may witness plugging operations. If a well is suspended or abandoned,
 all pits must be fenced immediately until they are backfilled. The "Subsequent Report of
 Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of
 the well bore, showing location of plugs, amount of cement in each, and amount of casing left in
 hole, and the current status of the surface restoration.

Do not use this form for proposobottom-hole depth, reenter plu DRILL form for such proposals. 1. TYPE OF WELL Gas Well 2. NAME OF OPERATOR: GASCO PRODUCTION COMPAN 3. ADDRESS OF OPERATOR:	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-76810 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7.UNIT OF CA AGREEMENT NAME: GATE CANYON 8. WELL NAME and NUMBER: GCF 42-17H-11-15 9. API NUMBER: 43013502270000 9. FIELD and POOL OF WILDCAT: UNDESIGNATED COUNTY:		
1840 FNL 0424 FEL QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SENE Section: 17 T	SUNDRY NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING SUNDRY NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING SUNDRY MATER DIVISION OF OIL GAS, AND MINING DOLL GAS, CHARLES OIL GAS, AND MINING SUNDRY MATER DIVISION OIL GAS, CHARLES		
TYPE OF SUBMISSION		TYPE OF ACTION	
NOTICE OF INTENT Approximate date work will start: 3/9/2012 SUBSEQUENT REPORT Date of Work Completion: SPUD REPORT Date of Spud: DRILLING REPORT Report Date: 12. DESCRIBE PROPOSED OR CO	CHANGE TO PREVIOUS PLANS CHANGE WELL STATUS DEEPEN OPERATOR CHANGE PRODUCTION START OR RESUME REPERFORATE CURRENT FORMATION TUBING REPAIR WATER SHUTOFF WILDCAT WELL DETERMINATION	CHANGE TUBING COMMINGLE PRODUCING FORMATION FRACTURE TREAT PLUG AND ABANDON RECLAMATION OF WELL SITE SIDETRACK TO REPAIR WELL VENT OR FLARE SI TA STATUS EXTENSION OTHER ertinent details including dates, depths	CHANGE WELL NAME CONVERT WELL TYPE NEW CONSTRUCTION PLUG BACK RECOMPLETE DIFFERENT FORMATION TEMPORARY ABANDON WATER DISPOSAL ✓ APD EXTENSION OTHER: S, volumes, etc. Approved by the Utah Division of Oil, Gas and Mining
NAME (PLEASE PRINT) Roger Knight SIGNATURE N/A		EHS Supervisor DATE	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013502270000

API: 43013502270000 **Well Name:** GCF 42-17H-11-15

Location: 1840 FNL 0424 FEL QTR SENE SEC 17 TWNP 110S RNG 150E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 3/9/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
 Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
 Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
 Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? Yes No
• Has the approved source of water for drilling changed? Yes No
 Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No
• Is bonding still in place, which covers this proposed well? Yes No

Signature: Roger Knight **Date:** 3/8/2011

Title: EHS Supervisor Representing: GASCO PRODUCTION COMPANY

Sundry Number: 23807 API Well Number: 43013502270000

			FORM 9				
	STATE OF UTAH DEPARTMENT OF NATURAL RESOUR	2050					
	DIVISION OF OIL, GAS, AND MINING						
SUNDF	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:				
current bottom-hole depth,	Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.						
1. TYPE OF WELL Gas Well	1. TYPE OF WELL						
2. NAME OF OPERATOR: GASCO PRODUCTION COM	2. NAME OF OPERATOR: GASCO PRODUCTION COMPANY						
3. ADDRESS OF OPERATOR: 8 Inverness Dr. East, Suite	100 , Englewood, CO, 80112	PHONE NUMBER: 303 483-0044 Ext	9. FIELD and POOL or WILDCAT: UNDESIGNATED				
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1840 FNL 0424 FEL			COUNTY: DUCHESNE				
QTR/QTR, SECTION, TOWNS	HIP, RANGE, MERIDIAN: 7 Township: 11.0S Range: 15.0E Meri	dian: S	STATE: UTAH				
11. CHEC	K APPROPRIATE BOXES TO INDICA	ATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA				
TYPE OF SUBMISSION		TYPE OF ACTION					
	ACIDIZE	ALTER CASING	CASING REPAIR				
NOTICE OF INTENT Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME				
3/9/2013	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE				
SUBSEQUENT REPORT	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION				
Date of Work Completion:	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK				
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION				
SPUD REPORT Date of Spud:	_						
Date of Sputt.	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON				
	L TUBING REPAIR	☐ VENT OR FLARE ☐	WATER DISPOSAL				
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION				
	WILDCAT WELL DETERMINATION	OTHER	OTHER:				
12. DESCRIBE PROPOSED OR	COMPLETED OPERATIONS. Clearly show	all pertinent details including dates,	PERSONAL PROPERTY AND PROPERTY				
			Approved by the Utah Division of Oil, Gas and Mining				
			Date: March 12, 2012				
			By:				
NAME (PLEASE PRINT)	PHONE NUM						
Roger Knight	303 996-1803	EHS Supervisor					
SIGNATURE N/A		DATE 3/8/2012					

Sundry Number: 23807 API Well Number: 43013502270000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013502270000

API: 43013502270000 Well Name: GCF 42-17H-11-15

Location: 1840 FNL 0424 FEL QTR SENE SEC 17 TWNP 110S RNG 150E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 3/9/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

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	ated on private land	l, has the ownership changed, if so, has the surface agreement been updated? 🔵	
		led in the vicinity of the proposed well which would affect the spacing or siting ation? (Yes (No	
	there been any unit osed well? 🤵 Ye	or other agreements put in place that could affect the permitting or operation of t s . No	:his
	there been any cha osed location?	nges to the access route including ownership, or rightof- way, which could affect Yes 📵 No	the
• Has	the approved source	e of water for drilling changed? 🔘 Yes 📵 No	
		sical changes to the surface location or access route which will require a change i cussed at the onsite evaluation? 🔵 Yes 📵 No	in
• Is bo	ending still in place,	which covers this proposed well? 🌘 Yes 💭 No	
Signature:	Roger Knight	Date: 3/8/2012	

Title: EHS Supervisor Representing: GASCO PRODUCTION COMPANY

Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010
Lease Serial No.
UTU76810

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-onter an

MAY 2 1 20 25. Lease Serial No.

Do not use the abandoned we	is form for proposals to II. Use form 3160-3 (APL	drill or to re D) for such p	e-enter propos	an als.		6. If Indian, A	Allottee or	Tribe Name	
	PLICATE - Other instruc	tions on rev	erse s	ide.		7. If Unit or 0 UTU8098	CA/Agreen B6X	nent, Name an	ıd/or No.
1. Type of Well					_	8. Well Name	and No.	DEDAL 42	1711 11 1
Oil Well Gas Well Oth		JESSICA BE	DC					DERAL 42-	1/H-11-1
GASCO PRODUCTION COM	PANY E-Mail: jberg@gase	coenergy.com				9. API Well N 43-013-5		-X1	T Shut-Off Integrity to Original A and zones. 30 days filed once ator has
3a. Address 8 INVERNESS DRIVE EAST, ENGLEWOOD, CO 80112-50	625	3b. Phone No Ph: 303-99	o. (includ 96-1805	e area code)		10. Field and UNDESI	Pool, or E GNATED	xploratory)	
4. Location of Well (Footage, Sec., 7	C., R., M., or Survey Description)				11. County or	Parish, ar	d State	
Sec 17 T11S R15E SENE 184	40FNL 424FEL					DUCHES	SNE COL	JNTY, UT	
12. CHECK APPI	ROPRIATE BOX(ES) TO	INDICATE	NATU	JRE OF N	NOTICE,	REPORT, OR	OTHER	DATA	
TYPE OF SUBMISSION				TYPE OF	ACTION	1	·	······································	
Notice of Intent	□ Acidize	□ Dee	pen		☐ Prod	uction (Start/Resu	ıme)	☐ Water Sl	nut-Off
-	Alter Casing	Frac	cture Tre	at	□ Recl	amation		□ Well Into	
☐ Subsequent Report	☐ Casing Repair	□ New	v Constr	uction	□ Reco	mplete		Other	
☐ Final Abandonment Notice	Change Plans		g and Ab	andon	□ Tem	porarily Abandon		Change to 0	Original .
	Convert to Injection	□ Plug				er Disposal			
determined that the site is ready for fit GASCO REQUESTS A 2 YEA CONDITION	- ,		IS PER	MIT IS DI	JE TO E	ENG.AAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAAA	ED OF	FICE 2	
14. I hereby certify that the foregoing is	true and correct							CEIVED	
	Electronic Submission #1; For GASCO PRO ommitted to AFMSS for proc	IDUCTION CE	ϽΜΡΔΝΊ	Y,sent to SH on 05/	the Verna 29/2012 (ai 12KJN0462SF)		1 9 2012	
Name (Printed/Typed) JESSICA I			Title	AUTHOR	RIZED R	EPRESENTATI	低V. OF C	OIL, GAS & MI	NING
Signature (Electronic S	ubmission)		Date	05/21/20)12				
	THIS SPACE FO	R FEDERA	L OR						
Approved By	,		Title	Assist Lands &	ant Field Mineral	Manager Resources		JUN Q 7	2012
Conditions of approved if any, are attached certify that the applicant holds legal or equ which would entitle the applicant to condu	itable title to those rights in the	not warrant or subject lease	Office			NAL FIELD O			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a ctatements or representations as t	crime for any pe o any matter w	erson kno ithin its ji	wingly and urisdiction.	willfully to	make to any depart	tment or ag	gency of the U	nited

BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

CONDITIONS OF APPROVAL

Gasco Production Company

Notice of Intent APD Extension

Lease:

UTU-76810

Well:

Gate Canyon Federal 42-17H-11-15

Location:

SENE Sec 17-T11S-R15E

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 06/02/2014.
- 2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777

Sundry Number: 35398 API Well Number: 43013502270000

	STATE OF UTAH			FORM 9	
DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATOR PERMIT TO DRILL form for such proposals. 1. TYPE OF WELL GAS Well 2. NAME OF OPERATOR: PHONE NUMBER: 1. LOCATION OF WELL FOOTAGES AT SURFACE: 1840 FNL 0424 FEL QTRYQTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 17 Township: 11.0S Range: 15.0E Meridian: S 1. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, R TYPE OF SUBMISSION TYPE OF ACTIO NOTICE OF INTENT Approximate date work will start: 3/9/2 0 1 4 ACIDIZE			3	5.LEASE DESIGNATION AND SERIAL NUMBER: UTU-76810	
SUNDR	RY NOTICES AND REPORT	WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
current bottom-hole depth,	reenter plugged wells, or to drill hori			7.UNIT or CA AGREEMENT NAME: GATE CANYON	
1. TYPE OF WELL Gas Well				8. WELL NAME and NUMBER: GCF 42-17H-11-15	
2. NAME OF OPERATOR:				9. API NUMBER: 43013502270000	
3. ADDRESS OF OPERATOR: , , , Ext		РНО	NE NUMBER:	9. FIELD and POOL or WILDCAT: UNDESIGNATED	
				COUNTY: DUCHESNE	
QTR/QTR, SECTION, TOWNSH		ridian: S	8	STATE: UTAH	
11. CHEC	K APPROPRIATE BOXES TO INDIC	ATE N	ATURE OF NOTICE, REPOR	RT, OR OTHER DATA	
TYPE OF SUBMISSION			TYPE OF ACTION		
A MOTHER OF MITTHE	ACIDIZE		ALTER CASING	CASING REPAIR	
Approximate date work will start:	CHANGE TO PREVIOUS PLANS		CHANGE TUBING	CHANGE WELL NAME	
3/9/2014	CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE	
	DEEPEN	☐ F	FRACTURE TREAT	NEW CONSTRUCTION	
Date of Work Completion:	OPERATOR CHANGE	☐ F	PLUG AND ABANDON	PLUG BACK	
	PRODUCTION START OR RESUME	☐ F	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION	
	REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON	
	TUBING REPAIR		/ENT OR FLARE	WATER DISPOSAL	
	WATER SHUTOFF		SI TA STATUS EXTENSION	✓ APD EXTENSION	
Report Date:	WILDCAT WELL DETERMINATION	\Box	OTHER	OTHER:	
on out use this form for proposals to drill new wells, significantly deepen existing wells below prient bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION GATE CANYON TYPE OF WELL Say Well Say Well Say Well Say Well Application of Well Say Well Application of Well Appli					
3/9/2014 CHANGE WELL STATUS					
				Oil, Gas and Mining	
				Date: March 12, 2013	
				00 mg 200 A	
				by.	
NAME (DI EACE DOINT)	DUONE	/IDED	TITI E		
Roger Knight		NBEK			
SIGNATURE N/A					

Sundry Number: 35398 API Well Number: 43013502270000



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43013502270000

API: 43013502270000 Well Name: GCF 42-17H-11-15

Location: 1840 FNL 0424 FEL QTR SENE SEC 17 TWNP 110S RNG 150E MER S

Company Permit Issued to: GASCO PRODUCTION COMPANY

Date Original Permit Issued: 3/9/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No
Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No
Has there been any unit or other agreements put in place that could affect the permitting or operation of thi
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the
• Has the approved source of water for drilling changed? Yes No
Have there been any physical changes to the surface location or access route which will require a change in
• Is bonding still in place, which covers this proposed well?
nature: Roger Knight Date: 3/6/2013

Signature: Roger Knight **Date:** 3/6/2013

Title: EHS Supervisor Representing: GASCO PRODUCTION COMPANY



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

May 14, 2015

Gasco Production Company 7979 Tufts Ave., Suite 1150 Denver, CO 80237

Re:

<u>APD Rescinded - GCF 42-17H-11-15, Sec. 17, T.11S, R.15E,</u>

Duchesne County, Utah API No. 43-013-50227

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on March 9, 2010. On March 9, 2011, March 12, 2012, March 12, 2013 and March 13, 2014 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 14, 2015.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely.

Environmental Scientist

cc:

Well File

Bureau of Land Management, Vernal





United States Department of the Interior

BUREAU OF LAND MANAGEMENT Green River District Vernal Field Office 170 South 500 East Vernal, UT 84078

http://www.blm.gov/ut/st/en/fo/vernal.html

MAY 05 2015



Jessica Berg Gasco Production Company 7979 Tufts Ave., Suite 1150 Denver, CO 80237



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DIV. OF OIL, GAS & MINING

Dear Ms. Berg:

The referenced Applications for Permit to Drill (APD) have expired. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced applications has expired. If you intend to drill at these locations in the future, a new Application for Permit to Drill must be submitted.

43-013

Lease	Well -7 50227	Aliquot	Sec., T., R.	Date Rec'd	Date Exp'd
UTU-76810	Gate Canyon Federal 42-17H-11-15		Sec. 17-T11S-R15E	1/8/2010	6/2/2014
UTU-78215	Wilkin Ridge Federal 41-27-10-17	NENE	Sec. 27-T10S-R17E	8/22/2008	8/24/2013

3 3A165

This office requires a letter confirming that no surface disturbance has been made for these drill sites. Any surface disturbance associated with the approved locations of these wells is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

CC:

UDOGM

bcc:

Well File

I&E Asst.